

DA 21/04/81 RG

4th April 1985

Mr. W. J. Kilpatrick,
Registrar of Co-operative Societies,
250 Elizabeth Street,
MELBOURNE, 3000.

Dear Bill,

Government Guarantees to Co-operative Societies

I spoke recently to K. Nolan of your department regarding government guarantees. I believe that these have not been specifically addressed through the M.A.C.C. process. There may be some merit in putting before M.A.C.C. a brief summary of the current position, including policies under which guarantees are advanced, and the potential of this system including any advantages or disadvantages.

A restricting factor in Co-operative development is likely to be the availability of finance for any Co-operative venture. The availability of a Government guarantee under appropriate policies could go a long way in overcoming some of these problems.

A particular aspect of the paper could be to what extent the actual funds guaranteed could be advanced from within the Co-operative movement rather than being totally advanced from the commercial banking sector with the resulting profits flowing out of the co-operative system.

Yours sincerely,

A. B. Miller,
Executive Officer.